LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

301 State House (317) 232-9855

FISCAL IMPACT STATEMENT

LS 6869 DATE PREPARED: Dec 20, 2001

BILL NUMBER: SB 262 BILL AMENDED:

SUBJECT: Delivery of Goods and Services.

FISCAL ANALYST: Karen Firestone **PHONE NUMBER:** 317-234-2106

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

 $\overline{\underline{X}}$ DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill requires delivery, shipping, or other action under a contract to occur in not more than six months unless otherwise agreed upon.

Effective Date: July 1, 2002.

Explanation of State Expenditures:

Explanation of State Revenues: The Uniform Commercial Code concerning sales currently requires that shipment, delivery, or other action under a contract for a good occur in a reasonable time. The bill would establish six months as "a reasonable time", unless otherwise specified in a contract. There are no data available to indicate whether the number of cases brought before a court would increase or decrease based on this definition of "a reasonable time".

The court that would have jurisdiction over these cases would vary based on the dollar value of the goods or contract. If the case is filed in a circuit, superior, or county court, 70% of the \$100 civil court fee or the \$35 small claims court fee would be deposited in the state General Fund. If the case is filed in a city or town court, 55% of the court fee would be deposited in the state General Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues: If additional court actions occur, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees.

State Agencies Affected:

SB 262+ 1

Local Agencies Affected: Trial courts.

Information Sources:

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